

# MAYOR & COUNCIL AGENDA COVER SHEET

**MEETING DATE:**

March 6, 2006

**CALL TO PODIUM:**

Louise Kauffmann,  
Director of Community  
Development

**RESPONSIBLE STAFF:**

Nancy Walsh,  
Grants Writer

Louise Kauffmann,  
Director of Community  
Development

**AGENDA ITEM:**

(please check one)

	Presentation
	Proclamation/Certificate
	Appointment
x	Public Hearing
	Historic District
	Consent Item
	Ordinance
	Resolution
	Policy Discussion
	Work Session Discussion Item
	Other:

**PUBLIC HEARING HISTORY:**

(Please complete this section if agenda item is a public hearing)

Introduced	
Advertised Gaithersburg Gazette	2/15/06
Hearing Date	3/06/06
Record Held Open	
Policy Discussion	

**TITLE:**

Hearing to Solicit Public Service Proposals for the Expenditure of FY07 Community Development Block Grant Funds

**SUPPORTING BACKGROUND:**

In its fourth year as a direct entitlement community, Gaithersburg will receive \$465,438 in Community Development Block Grant (CDBG) funds from the U.S. Department of Housing and Urban Development (HUD), approximately 10 percent less than the City received in FY06. CDBG funds support national objectives that include providing decent housing, a suitable living environment, and expanded economic opportunities, principally for low- to moderate-income persons. Twenty percent (\$93,088) of the City's FY07 CDBG award may be used for administration and planning, and up to 15 percent (\$69,816) for public service projects. The balance will be used for eligible capital projects.

The City is also the formula grantee for HUD's HOPWA (Housing Opportunities for Persons With AIDS) program for the Bethesda-Frederick-Gaithersburg Metropolitan Division, which consists of Montgomery and Frederick Counties. In FY07, the City's \$524,000 HOPWA award will provide tenant-based rental assistance to low-income persons with HIV/AIDS in the two counties. The City's FY07 HOPWA award is slightly higher than last year's allocation.

CDBG regulations require that the City hold at least two public hearings each year and submit an annual Action Plan to HUD identifying how funds will be spent. The City's first public hearing was held February 1, 2006 at the Activity Center at Bohrer Park. A public hearing on HOPWA was held March 1, 2006 at the Housing Authority of the City of Frederick. At tonight's public hearing, which focuses on CDBG only, the public is invited to present proposals for public service projects to be funded through CDBG.

The City is evaluating applications for CDBG public service grants and preparing its Action Plan, which will be submitted to HUD by May 15, 2006, following a 30-day review and comment period.

**DESIRED OUTCOME:**

Hear testimony of potential applicants for FY07 CDBG public service funds and announce to the public that the record will close on Monday, April 24, 2006 at 5:00 PM.